



Community Preservation Corporation



October 9, 2024

Sara C. Bronin, Chair  
Advisory Council on Historic Preservation  
401 F Street NW, Suite 308  
Washington, DC 20001  
Attn: ACHP Program Alternatives  
[program\\_alternatives@achp.gov](mailto:program_alternatives@achp.gov)

**PUBLIC COMMENT ON THE ADVISORY COUNCIL FOR HISTORIC PRESERVATION  
PROGRAM COMMENT ON ACCESSIBLE, CLIMATE-RESILIENT, AND CONNECTED  
COMMUNITIES**

Dear Chair Bronin,

Please find the following comment submitted on behalf of The Community Preservation Corporation (CPC), a nonprofit community development financial institution (CDFI) and sole member of CPC Climate Capital LLC, which is anticipated to be a sub-recipient of grant funds from the Environmental Protection Agency (EPA)'s Greenhouse Gas Reduction Fund (GGRF) specializing in multifamily housing finance. Currently in our fiftieth year, CPC was founded in 1974 as a direct response to the chronic issues of property abandonment and blight facing New York City's multifamily housing stock, when we began to provide financial and technical resources to stabilize and revitalize underserved communities. Since its founding, CPC has invested over \$14 billion to finance the creation, preservation, and adaptive reuse of more than 230,000 units of housing.

As a certified carbon neutral company, CPC is committed to climate resiliency and sustainability in its multifamily housing finance work. CPC launched its sustainability platform in 2008 to promote energy and water efficiency measures in the built environment, create green capital products, and advise on best practices in the green economy. CPC Climate Capital, a new subsidiary of CPC, will be a subrecipient of Climate United Fund (CUF) and leads Climate United's strategy for decarbonizing multifamily housing across the United States. The Climate United coalition is comprised of three nonprofits — with CUF as the recipient and CPC Climate Capital, and Self-Help Climate Capital as the subrecipients — committed to building a clean energy future that all Americans can access equitably. CUF was awarded \$6.97 billion from the National Clean



Investment Fund (NCIF), a program under the EPA’s GGRF, one of the largest and most significant direct spending programs within the Inflation Reduction Act (IRA). CPC Climate Capital’s subgrant is anticipated to be \$2.42 billion to finance carbon reducing improvements to multifamily housing nationwide.

Over its 50-year history of lending in support of affordable housing projects, including adaptive reuse and preservation projects, CPC has gained significant experience navigating historic review processes and financing climate-smart homes. Now, as a GGRF subrecipient, CPC Climate Capital is committed to facilitating the federal government’s response to climate change and delivering the deep decarbonization needed in multifamily residential buildings across the US. To that end, we submit this response to the Advisory Council for Historic Preservation (“ACHP”)’s Program Comment on Accessible, Climate-Resilient, Connected Communities (“PCACCC”).

CPC applauds the ACHP’s efforts to streamline Section 106 of the National Historic Preservation Act (NHPA) for climate-smart buildings and strongly supports the PCACCC’s adoption. The building sector accounts for more than a third of total U.S. greenhouse gas emissions and rehabilitating existing buildings to be significantly more energy efficient and climate resilience is paramount to the health and safety of our communities. ACHP’s Program Comment shows how historic preservation can be an ally rather than an adversary in the advancement of our society’s dual affordable housing production and energy policy goals.

Our 50 years of experience demonstrate that decarbonization and historic preservation can successfully complement each other as we invest in our existing building stock. As an example, in the rehabilitation of Monument Square, an 89-unit historic building in CPC’s portfolio in Troy, New York, the installation of heat pumps and other major system upgrades yielded \$13,000 in annual utility savings, making additional funds available to support building maintenance and tenant comfort. As government agencies, green banks, and private-sector investors begin to mobilize the IRA’s historic, national investment in clean energy and climate solutions, the actions of the PCACCC to fast track affordable housing and clean energy projects will ensure that historic preservation goals are met alongside our housing and climate goals at scale and across American communities.

CPC supports the PCACCC’s proposed actions to accelerate solar panel installation and other energy efficiency improvements in historic buildings, such as upgrades to insulation, building control systems, and mechanical systems, provided they enhance energy



efficiency and climate resilience. To best position the PCACCC's actions for impact, CPC suggests the following additions to the Program Comment:

- 1. Inclusion of a flow chart diagram for Appendix B-1 and Appendix B-2:** Appendix B-1, "Climate-Smart Building-Related Activities Not Requiring Further Review" and Appendix B-2, "Climate-Smart Building-Related Activities Not Requiring Further Review After the Satisfaction Of Conditions, Exclusions, Or Requirements" are complex and at times challenging to read together. It is currently difficult to tease out the limiting conditions, exclusions and requirements in Appendix B-2, and how these differ from those in Appendix B-1. To make the PCACCC more user-friendly, we suggest including a flow chart diagram, as exemplified by **Exhibit A** attached hereto, that illustrates the different pathways that do or do not trigger a full Section 106 review under the program alternative. This will make it clearer when Section 106 can in fact be streamlined for a climate-smart building.
- 2. Inclusion of a mechanism to assure a project will not require Section 106 review:** Currently, the PCACCC includes guidelines for when a given project can in fact forgo Section 106 review, but does not offer a mechanism for agencies to receive assurance or confirmation that Section 106 Review will not be required before undertaking said project. While agencies and project partners should continue to store all documentation related to a decision surrounding Section 106 review, as is currently recommended in the PCACCC, the ACHP should more formally confirm that a traditional Section 106 review is not necessary through a review and assurance mechanism. This will enable and encourage project partners to pursue the PCACCC alternative process without fear of later disagreements.
- 3. Alignment between the PCACCC and HTC requirements:** In CPC's experience as an affordable housing lender, projects benefitting from the Low-Income Housing Tax Credit (LIHTC), the nation's most successful financing incentive for the development and preservation of affordable housing, also frequently benefit from Historic Tax Credits (HTCs). Like the GGRF, state HTCs are an important gap filler to make affordable housing transactions more viable. 39 states currently have state HTC programs, and California, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey and Pennsylvania all include a tax credit percentage boost ranging from 20 to 35% for projects that create affordable housing. In New York, nearly 83% of HTC projects create some form of housing. However, in contrast to affordable housing, relatively few HTC programs specifically address



decarbonization and climate issues. Maryland gives a 20 to 25% tax credit boost for LEED Gold certification, and New York provides a 20% credit up to a credit value of \$50,000 for qualified rehabilitation expenditures, like the installation of solar panels. California increases its 20% tax credit to 25% for transit-oriented development projects, and Colorado, Illinois, Vermont and South Carolina all include provisions prioritizing disaster relief preparation and recovery. The list of sustainability-related provisions in HTC programs is relatively limited, however, compared to the number of affordable housing development-related provisions in state HTC programs.

Even if a state HTC program includes sustainability-related provisions, the PCACCC, as it stands, conflicts with the HTC's stricter requirements. Therefore, if a project combines LIHTC and HTC, as many developers do, the PCACCC will not be able to streamline or fast-track the preservation review process, obviating any progress made by the PCACCC for affordable housing and building decarbonization projects. CPC recommends that any of the clean energy technologies and interventions approved as fast-tracked under the PCACCC should also be fast-tracked under the state HTC programs. Aligning these requirements is crucial for the alternative Section 106 process to have its intended impact in increasing the supply of affordable housing. CPC also recommends that all state HTC programs increase the credit percentage from five to 15% for projects meeting certain building performance and decarbonization standards, similar to the boosts already provided for the inclusion of affordable housing units. The PCACCC is a step in the right direction, but state HTCs also need to more closely align with policies aimed at reducing energy use and lowering carbon emissions or the benefits of the PCACCC will be lost.

In conclusion, CPC greatly supports streamlining the Section 106 review process as this will facilitate the implementation of green infrastructure and accelerate the deployment of federal investments in climate-smart buildings. As a GGRF sub-recipient, CPC Climate Capital is committed to delivering the deep decarbonization needed in multifamily housing and maximum efficiency and impact of federal funds. Adoption of the ACHP's Draft PCACCC will help historic buildings across the U.S. become climate-resilient and preserved for future generations to enjoy.

We look forward to the opportunity to contribute to the impact of the ACHP's PCACCC and continue advancing our shared missions. Thank you for this opportunity to provide



comments – do not hesitate to reach out to us directly in the event of any follow up questions or desire for more information.

Sincerely,

A handwritten signature in blue ink, appearing to read "SmcKeown".

Sadie McKeown, President

The Community Preservation Corporation

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**Exhibit A: Example Flow Chart for Section 106 Review Under the PCACCC**

*Is Section 106 Review Required per Draft Program Comment on Accessible, Climate-Resilient, and Connected Communities?*

